



DEPARTMENT OF THE AIR FORCE
AIR FORCE MATERIEL COMMAND
WRIGHT-PATTERSON AIR FORCE BASE OHIO

1 0 NOV 1999

MEMORANDUM FOR SEE DISTRIBUTION

FROM: HQ AFMC/PK
4375 Chidlaw Road, Suite 6
Wright-Patterson AFB OH 45433-5006

SUBJECT: Ambiguous Contract Writing

1. Recent ESC/PIW contract automation reviews with Defense Contract Management Command (DCMC) and Defense Finance and Accounting Service (DFAS), disclosed several contract writing errors. The errors, identified below, cause DCMC and DFAS personnel to manually review and resolve ambiguous contract language, which ultimately slows down the contract administration and payment processes. Personnel involved in contract writing should follow the regulatory processes described below to minimize manual intervention and to aide timely contract administration. With increased emphasis on electronic and paperless initiatives, it is becoming ever more critical to review and eliminate ambiguous contract language.

2. Errors:

(a) Improper CAGE code (Section A, Solicitation and Contract Form). When awarding to an 8(a) contractor, use the performing contractor's CAGE code in the contractor information block on the award face page, not the CAGE code of the SBA office. Reference: DFARS 204.7202-1, DFARS 219.811-1, and DFARS 253.204-70(b)(5).

(b) Inappropriate "Ship To" information (Section F, Delivery or Performance Schedules). Add the DODAAD or CAGE code in the "Ship To" block when appropriate for a specific CLIN. For example, if the contract contains a clause that cites "ship in place at contractor's facility," the contractor's CAGE code should be entered in the "Ship To" block if appropriate for the CLIN. Reference: FAR 11.4 and DFARS 253.213-70.

(c) Inappropriate use of "ASREQ" (Section F, Delivery or Performance Schedules). "ASREQ" constitutes an expressly stated delivery term. However, do not cite "ASREQ" when discrete data is known, such as a date, MARO, or ARO. Additionally, if the language "...from effective date of the contract" is cited in the data description, ensure that the effective date of the contract is included on the face page of the award document. Reference: FAR 11.403, FAR 14.201-2 (f), DFARS 204.7103-1(a)(3).

(d) Incorrectly adding new clauses to a Delivery Order. It is inappropriate to add new clauses to a Delivery Order. New clauses should be added to the basic contract by modification. Delivery Orders are placed against an established contract or with Government sources and adhere to the basic contract terms and conditions. Reference: FAR 2.101, FAR 16.504(a)(4), FAR 16.505(a)(6), AFFARS 5316.505-90(d)(1).

3. If you have any questions, please call our point of contact, Ms. Sylvia Youngman, HQ AFMC/PKPA, at DSN 787-4852, or E-mail at Sylvia.Youngman@wpafb.af.mil.

MILTON C. ROSS, SES
Deputy Director of Contracting

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